

**MINUTES**  
**STATE BOARD OF FINANCE**  
**June 19, 2007**  
**OFFICE OF THE OMB DIRECTOR**  
**STATE HOUSE ROOM 212**

Members in Attendance:

Auditor Tim Berry  
Ryan Kitchell, OMB Director  
Treasurer Richard Mourdock

Also in Attendance:

Kirke Willing, Deputy Auditor  
Jim Holden, Chief Deputy Treasurer  
Chris Ruhl, Budget Director  
Tony Armstrong, Deputy Budget Director  
Maureen Weber, BMV  
Debbie Hineline, Department of Education  
Paul Okeson, Secretary of State

**CALL TO ORDER**

The meeting was called to order at 9:05 a.m. by the newly appointed OMB director Ryan Kitchell.

**APPROVAL OF MINUTES**

**Auditor Berry** moved to approve the minutes from the **May 15**, 2007 meeting. Treasurer Mourdock seconded, and the minutes were unanimously approved.

**DESIGNATION OF A DEPOSITORY FOR PUBLIC FUNDS OF THE STATE**

At the request of **Treasurer Mourdock**, pursuant to I.C. 5-13-9.5, the "Application for Designation as a Depository of Public Funds" was submitted to the Board for approval on behalf of First National Bank of Illinois.

**Richard Mourdock** moved to approve the designation, **Auditor Berry** seconded, and the designation was unanimously approved.

**INDIANAPOLIS DESEGREGATION DISTRIBUTIONS**

A request was made by the Department of Education for the desegregation distributions to the following Indianapolis School Corporations effective July 2, 2007. The July quarterly installment for desegregation represents one-fourth of the estimated expenses for 2006-2007 and totals \$10,553,677.94. These claims were submitted by seven public school corporations under the Order. Transfer tuition comprises \$6,289,470.22. The residual \$4,264,207.72 is transportation, other desegregation costs and transition support.

<u>MSD Decatur Twp.</u>	
Transfer Tuition	\$587,431.44
Regular Transportation	214,740.38
Extracurricular Transportation	53,590.36
Other Desegregation Costs	<u>428,024.06</u>
Total	1,283,786.24
<u>Franklin Township</u>	
Transfer Tuition	\$446,450.25
Regular Transportation	251,817.50
Other Desegregation Costs	<u>312,395.29</u>
Total	1,010,663.04
<u>MSD Lawrence Twp.</u>	
Transfer Tuition	\$445,796.22
Regular Transportation	41,750.86
Other Desegregation Costs	<u>152,286.55</u>
Total	639,833.63
<u>MSD Perry Twp.</u>	
Transfer Tuition	\$1,553,786.11
Regular Transportation	664,602.91
Other Desegregation Costs	<u>754,403.05</u>
Total	2,972,792.07
<u>MSD Warren Twp.</u>	
Transfer Tuition	\$1,244,432.27
Regular Transportation	168,785.00
Other Desegregation Cost	<u>289,105.13</u>
Total	1,702,322.40
<u>MSD Wayne Twp.</u>	
Transfer Tuition	\$2,011,573.93
Regular Transportation	164,923.64
Other Desegregation Costs	<u>469,032.99</u>
Total	2,645,530.56

<u>Indianapolis Public</u> Transition Support	<u>\$298,750.00</u>
Total	298,750.00

Pursuant to the Federal Court Order, section 5(a)(1), the State shall repay itself from the state support due the Indianapolis Public Schools the lesser of the total amount of transfer tuition payable to all receiving corporations or certain state and local revenues for the students transferred. Accordingly, the July tuition support payment to the Indianapolis Public Schools will be decreased by \$5,928,191.38.

Auditor Berry moved to approve the distributions as set forth in the agenda, Treasurer Mourdock seconded, and the distributions were unanimously approved.

#### **FUNDING TRANSFERS TO THE SECRETARY OF STATE**

Tony Armstrong of the State Budget Agency requested, pursuant to IC 4-9.1-1-7, the transfer of just under 1.4 million dollars in annual payments for the biennium from the Bureau of Motor Vehicles to the Secretary of State. Auditor Berry moved to approve the transfer, Treasurer Mourdock seconded, the motion was unanimously approved.

#### **INCENTIVE PAYMENT FOR MIDWEST TRANSMISSION SYSTEM OPERATOR, INC.**

Tony Armstrong of the State Budget Agency provided a resolution (Exhibit A) requesting the transfer of \$500,000 for incentives to be provided to Midwest Independent Transmission Systems Operator, Inc. by the State Board of Finance. This transfer shall be made from the funds to be reverted by the Indiana Economic Development Corporation, and the Indiana Finance Authority, into an Indiana Economic Development Corporation/ Midwest Independent Transmission System Operator, Inc. fund/center (6000/198320). Any funds that Midwest Independent Transmission System Operator, Inc. might return to the State would be deposited back into this fund center. Treasurer Mourdock moved to approve the transfer, Auditor Berry seconded, the motion was approved.

#### **NEW OR OTHER BUSINESS**

No new business was brought before Board.

#### **ADJOURNMENT**

Auditor Berry moved to adjourn the meeting, **Treasurer Mourdock** seconded, the motion to adjourn was unanimously approved, and the meeting was adjourned.

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Auditor Tim Berry

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Governor Mitch Daniels or Ryan Kitchell, OMB Director

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Treasurer Richard Mourdock